

116TH CONGRESS
1ST SESSION

H. R. 3206

To impose sanctions with respect to the provision of certain vessels for the construction of Russian energy export pipelines, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 2019

Mr. KINZINGER (for himself, Mr. PENCE, and Mr. HECK) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To impose sanctions with respect to the provision of certain vessels for the construction of Russian energy export pipelines, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Europe’s
5 Energy Security Act of 2019”.

6 **SEC. 2. SENSE OF CONGRESS ON RUSSIAN ENERGY**
7 **PROJECTS.**

8 It is the sense of Congress that—

1 (1) the Government of the Russian Federation,
2 working through Russian state-owned enterprises,
3 uses energy as a tool of coercion and political lever-
4 age;

5 (2) the Government of Russia pursues a strat-
6 egy to make European countries dependent on Rus-
7 sia for energy supplies, so as to increase this polit-
8 ical leverage;

9 (3) a central aspect to this Russian strategy is
10 the development of export energy pipelines that are
11 driven not by commercial viability but by the foreign
12 policy goals of Russia;

13 (4) the Nord Stream 2 pipeline and the Turk
14 Stream pipeline are two examples of such Russian
15 energy export pipelines;

16 (5) the President should take action to halt
17 such Russian energy export pipelines unless the
18 President determines that doing so is not in the na-
19 tional interest of the United States; and

20 (6) in making such a determination, the Presi-
21 dent should consider whether—

22 (A) the non-Russian parties involved in the
23 project have put in place safeguards to mini-
24 mize the ability of Russia to use the pipeline as
25 a tool of coercion and political leverage, includ-

ing by requiring unbundling of energy production and transmission, transparency in the energy market, and effective regulatory oversight; and

(B) the non-Russian parties involved in the project have taken concrete steps to ensure that it will not result in a significant decrease in the transit of Russian energy exports through existing pipelines in other countries, particularly Ukraine.

**SEC. 3. SANCTIONS WITH RESPECT TO THE PROVISION OF
PIPE-LAYING VESSELS FOR THE CONSTRUCTION OF RUSSIAN ENERGY EXPORT PIPELINES.**

(a) IN GENERAL.—The President shall impose the sanctions described in subsection (b) on each foreign person that the President determines knowingly, on or after the date of the enactment of this Act, sells, leases, or provides pipe-laying vessels for the construction of any Russian-origin energy export pipeline that makes landfall in Germany or Turkey.

(b) SANCTIONS DESCRIBED.—

(1) IN GENERAL.—The sanctions described in this subsection are the following:

1 (A) ASSET BLOCKING.—The blocking, in
2 accordance with the International Emergency
3 Economic Powers Act (50 U.S.C. 1701 et seq.),
4 of all transactions in all property and interests
5 in property of a foreign person if such property
6 and interests in property are in the United
7 States, come within the United States, or are or
8 come within the possession or control of a
9 United States person.

10 (B) INADMISSIBILITY TO THE UNITED
11 STATES.—In the case of a foreign person who
12 is an individual—

13 (i) ineligibility to receive a visa to
14 enter the United States or to be admitted
15 to the United States; or

16 (ii) if the individual has been issued a
17 visa or other documentation, revocation, in
18 accordance with section 221(i) of the Im-
19 migration and Nationality Act (8 U.S.C.
20 1201(i)), of the visa or other documenta-
21 tion.

22 (2) PENALTIES.—A person that violates, at-
23 tempts to violate, conspires to violate, or causes a
24 violation of a measure imposed pursuant to sub-
25 section (a) or any regulation, license, or order issued

1 to carry out this section shall be subject to the pen-
2 alties specified in subsections (b) and (c) of section
3 206 of the International Emergency Economic Pow-
4 ers Act (50 U.S.C. 1705) to the same extent as a
5 person that commits an unlawful act described in
6 subsection (a) of such section.

7 (3) EXCEPTION RELATING TO IMPORTATION OF
8 GOODS.—

9 (A) IN GENERAL.—The requirement to
10 block and prohibit all transactions in all prop-
11 erty and interests in property under subsection
12 (b)(1)(A) does not include the authority to im-
13 pose sanctions on the importation of goods.

14 (B) GOOD DEFINED.—The term “good”
15 means any article, natural or man-made sub-
16 stance, material, supply or manufactured prod-
17 uct, including inspection and test equipment,
18 and excluding technical data.

19 (4) EXCEPTION TO COMPLY WITH UNITED NA-
20 TIONS HEADQUARTERS AGREEMENT.—Sanctions
21 under paragraph (1)(B) shall not apply with respect
22 to the admission of an alien to the United States if
23 the admission of the alien is necessary to permit the
24 United States to comply with the Agreement regard-
25 ing the Headquarters of the United Nations, signed

1 at Lake Success June 26, 1947, and entered into
2 force November 21, 1947, between the United Na-
3 tions and the United States, or other applicable
4 international obligations.

5 (c) IMPLEMENTATION; REGULATORY AUTHORITY.—

6 (1) IMPLEMENTATION.—The President may ex-
7 ercise all authorities provided under sections 203
8 and 205 of the International Emergency Economic
9 Powers Act (50 U.S.C. 1702 and 1704) to carry out
10 this section.

11 (2) REGULATORY AUTHORITY.—The President
12 shall issue such regulations, licenses, and orders as
13 are necessary to carry out this section.

14 (d) NATIONAL INTEREST WAIVER.—The President
15 may waive the application of the sanctions under sub-
16 section (b) with respect to a foreign person if the Presi-
17 dent—

18 (1) determines that such a waiver is in the na-
19 tional interest of the United States; and

20 (2) submits to the appropriate congressional
21 committees a notice of and justification for the waiv-
22 er.

23 (e) TERMINATION AND SUNSET.—The authority to
24 impose sanctions with regards to a person involved in the
25 construction of a particular Russian energy export pipeline

1 under subsection (b), and any sanctions imposed pursuant
2 to such authority, shall terminate on the earlier of—

3 (1) the date on which the President certifies to
4 the appropriate congressional committees that ap-
5 propriate safeguards have been put in place to—

6 (A) minimize the ability of Russia to use
7 the pipeline as a tool of coercion and political
8 leverage, including by achieving unbundling of
9 energy production and transmission so that
10 Russian state-owned entities do not control the
11 transmission network for the pipelines, trans-
12 parency in the energy market, and effective reg-
13 ulatory oversight; and

14 (B) ensure, barring unforeseen cir-
15 cumstances, that the project would not result in
16 a decrease of more than 25 percent in the tran-
17 sit of Russian energy exports through existing
18 pipelines in other countries, particularly
19 Ukraine, relative to the average monthly transit
20 of Russian energy exports through such pipe-
21 lines in 2018; or

22 (2) the date that is 10 years after the date of
23 the enactment of this Act.

24 (f) DEFINITIONS.—In this section:

1 (1) ADMISSION; ADMITTED; ALIEN.—The terms
2 “admission”, “admitted”, and “alien” have the
3 meanings given those terms in section 101 of the
4 Immigration and Nationality Act (8 U.S.C. 1101).

5 (2) APPROPRIATE CONGRESSIONAL COMMIT-
6 TEES.—The term “appropriate congressional com-
7 mittees” means—

8 (A) the Committee on Foreign Affairs, the
9 Committee on the Judiciary, and the Com-
10 mittee on Financial Services of the House of
11 Representatives; and

12 (B) the Committee on Foreign Relations,
13 the Committee on the Judiciary, and the Com-
14 mittee on Banking, Housing, and Urban Affairs
15 of the Senate.

16 (3) FOREIGN PERSON.—The term “foreign per-
17 son” means an individual or entity that is not a
18 United States person.

19 (4) KNOWINGLY.—The term “knowingly” with
20 respect to conduct, a circumstance, or a result,
21 means that a person has actual knowledge, or should
22 have known, of the conduct, the circumstance, or the
23 result.

24 (5) PIPE-LAYING VESSEL.—The term “pipe-lay-
25 ing vessel” means an offshore vessel that can be

1 used in the construction of subsea infrastructure
2 and is engaged in pipe-laying at depths of 100 feet
3 or more below sea level.

4 (6) UNITED STATES PERSON.—The term
5 “United States person” means—

6 (A) a United States citizen or an alien law-
7 fully admitted for permanent residence to the
8 United States; or

9 (B) an entity organized under the laws of
10 the United States or any jurisdiction within the
11 United States, including a foreign branch of
12 such an entity.

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